

FISCAL NOTE

Bill #: SB0443

Title: Prohibit public record disposal without offering to public

Primary

Sponsor: Edward Butcher

Status: Third Reading

Sponsor signature

Date

Chuck Swysgood, Budget Director

Date

Fiscal Summary

	<u>FY2002</u> <u>Difference</u>	<u>FY2003</u> <u>Difference</u>
Expenditures:		
General Fund	11,602	11,602
Proprietary Fund	18,680	18,680
Net Impact on General Fund Balance:	(\$11,602)	(\$11,602)

<u>Yes</u>	<u>No</u>		<u>Yes</u>	<u>No</u>	
X		Significant Local Gov. Impact		X	Technical Concerns
	X	Included in the Executive Budget	X		Significant Long-Term Impacts
	X	Dedicated Revenue Form Attached	X		Family Impact Form Attached

Fiscal Analysis

ASSUMPTIONS:

Montana Historical Society

1. A public document more than 10-years old may not be destroyed without it first being offered to the Montana Historical Society, the state archives, Montana public and private universities and colleges, local historical museums, local historical societies, Montana genealogical groups, and the general public. A public document containing writing or other information subject to a right of privacy granted by Article 11, Section 10, of the Montana Constitution or by statute is not subject to this bill until the document is 50 years old.
2. All expenses for removal of claimed documents must be paid by the entity claiming the documents.
3. The documents must be given to entities in order of assumption #1.

4. The State Records Committee shall establish procedures by which a public document must be offered and claimed.
5. The Montana Historical Society expects an increase in documents given to the society.
6. The society anticipates an increase in workload to manage the procedures established by the committee, travel to pick up the documents, and the sorting and cataloging of the documents. This additional workload will be accomplished by a 0.25 FTE archives technician (grade 12). Operating expenses include applicable operating costs for the position, travel costs, and public announcement costs.

Secretary of State

7. Advertising costs will be incurred by various state and local government entities to provide notice of disposal.
8. State agencies will incur an increase in storage costs for maintaining some records for an additional 6 months.
9. The Secretary of State Records Center will experience continual increases in storage space and shelving required.
10. The Secretary of State's Office anticipates an increase in workload to assist state and local government agencies with their management of the procedures established by the state and local government records committee committees. This could be accomplished with a 0.50 records technician (grade 14).

FISCAL IMPACT:

	<u>FY2002 Difference</u>	<u>FY2003 Difference</u>
Montana Historical Society		
FTE	0.25	0.25
<u>Expenditures:</u>		
Personal Services	7,071	7,071
Operating Expenses	<u>4,531</u>	<u>4,531</u>
TOTAL	\$11,602	\$11,602
<u>Funding:</u>		
General Fund (01)	\$11,602	\$11,602
Secretary of State's Office		
FTE	0.50	0.50
<u>Expenditures:</u>		
Personal Services	17,308	17,308
Operating Expenses	<u>5,400</u>	<u>5,400</u>
TOTAL	\$22,708	\$22,708
<u>Funding:</u>		
Proprietary Fund (06)	\$22,708	\$22,708
<u>Revenues:</u>		
Proprietary Fund (06)	\$11,470	\$11,470

Net Impact to Fund Balance (Revenue minus Expenditure):

General Fund (01)	(\$11,602)	(\$11,602)
Proprietary Fund (01)	(\$11,238)	(\$11,238)

EFFECT ON COUNTY OR OTHER LOCAL REVENUES OR EXPENDITURES:

This bill will have a significant impact on city, county and school district entities by increasing advertising costs, additional storage requirements, and man-hours required to coordinate with individuals or groups receiving documents. There will be costs associated with contacting approximately 250 historical societies, all colleges and universities and the general public. The cost of running a 250-word legal ad for two days in one newspaper would be \$48 to \$53. To cover the whole state, you would have to advertise in the seven largest daily newspapers: Billings, Great Falls, Helena, Missoula, Butte, Kalispell and Bozeman. There aren't accurate figures on county, municipal, school district, conservation district, court, university, etc., records that are disposed of every year, but a conservative estimate would be approximately 40,000 feet. Approximate 30% of those records would be "more than 10-years old" and would need to be stored for an additional 6 months before being destroyed @ approximately 29.5 cents per month. $15,000 \times .295 = 4,425 \times 6 \text{ months} = \$26,550$.

LONG-RANGE IMPACTS:

Montana Historical Society

1. There will be long-term continual increases in storage space required. Also, public documents may get to private dealers, causing public entities to have to buy back their documents on e-bay or a similar forum.

Secretary of State's Office

2. Storage costs and storage space required for state and local government entities will continually increase. The State Records Center is already at capacity. An additional storage facility may be required in the near future.